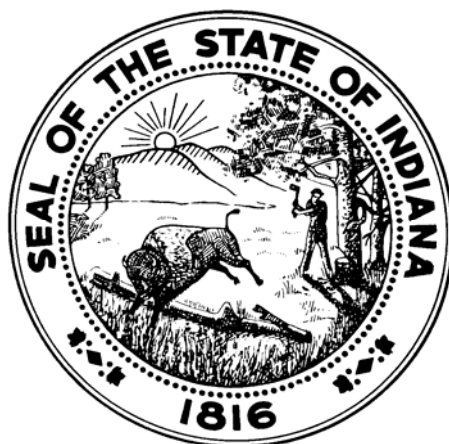


STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2769

EXAMINATION REPORT
OF
TOWN OF BURNETTSVILLE
WHITE COUNTY, INDIANA
January 1, 2005 to December 31, 2006



FILED
03/15/2007

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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Mary K. Caudle	01-01-04 to 12-31-07
President of the Town Council	Jim E. Saylor	01-01-05 to 12-31-07
Superintendent of the Wastewater Utility	Edward Pritts	01-01-05 to 12-31-07



STATE OF INDIANA

AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE TOWN OF BURNETTSVILLE, WHITE COUNTY, INDIANA

We have examined the financial information presented herein of the Town of Burnettsville (Town), for the period of January 1, 2005 to December 31, 2006. The Town's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above present fairly, in all material respects, the financial information of the Town for the years ended December 31, 2005 and 2006, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Schedule of Capital Assets as listed in the Table of Contents, is presented for additional analysis and is not a required part of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information, and accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

February 15, 2007

TOWN OF BURNETTSVILLE
SCHEDULES OF RECEIPTS, DISBURSEMENTS, AND CASH AND INVESTMENT BALANCES
ALL GOVERNMENTAL, PROPRIETARY AND FIDUCIARY FUND TYPES
As Of And For The Years Ended December 31, 2005 And 2006

	Cash and Investments 01-01-05	Receipts	Disbursements	Cash and Investments 12-31-05
Governmental Funds:				
General	\$ 11,164	\$ 26,553	\$ 19,678	\$ 18,039
Motor Vehicle Highway	24,296	11,483	4,869	30,910
Local Road and Street	8,176	2,816	1,322	9,670
Rainy Day	2,049	-	2,049	-
Cumulative Capital Improvement	3,838	1,153	4,500	491
County Economic Development Income Tax	5,017	1,186	-	6,203
Planning Grant Fund	-	24,000	24,000	-
Proprietary Funds:				
Wastewater Utility - Operating	185,264	79,539	51,349	213,454
Wastewater Utility - Bond and Interest	56,941	28,825	43,456	42,310
Totals	<u>\$ 296,745</u>	<u>\$ 175,555</u>	<u>\$ 151,223</u>	<u>\$ 321,077</u>

	Cash and Investments 01-01-06	Receipts	Disbursements	Cash and Investments 12-31-06
Governmental Funds:				
General	\$ 18,039	\$ 17,687	\$ 19,901	\$ 15,825
Motor Vehicle Highway	30,910	13,800	5,235	39,475
Local Road and Street	9,670	2,710	763	11,617
Cumulative Capital Improvement	491	1,333	719	1,105
County Economic Development Income Tax	6,203	1,319	-	7,522
Planning Grant Fund	-	16,000	16,000	-
Proprietary Funds:				
Wastewater Utility - Operating	213,454	73,893	53,419	233,928
Wastewater Utility - Bond and Interest	42,310	28,573	41,978	28,905
Fiduciary Fund:				
Levy Excess	-	824	824	-
Totals	<u>\$ 321,077</u>	<u>\$ 156,139</u>	<u>\$ 138,839</u>	<u>\$ 338,377</u>

The accompanying notes are an integral part of the schedules.

TOWN OF BURNETTSVILLE
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

The Town was established under the laws of the State of Indiana. The Town provides the following services: public safety, health and social services, culture and recreation, wastewater, and general administrative services.

Note 2. Fund Accounting

The Town uses funds to report on its cash and investments and the results of its operations on a cash basis. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied or highway use taxes are received are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Property taxes levied are collected by the County Treasurer and are distributed to the Town in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively. All property taxes collected by the County Treasurer and available for distribution were distributed to the Town on or prior to December 31 of the year collected.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the Town to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

TOWN OF BURNETTSVILLE
SUPPLEMENTARY INFORMATION
SCHEDULE OF CAPITAL ASSETS
For The Year Ended December 31, 2006

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

General infrastructure assets are included if acquired (purchased, constructed, or donated) after July 1, 1980, or if they received major renovations, restorations, or improvements after that date. The government was able to estimate the historical cost for the initial reporting of these assets through backtrending (i.e., estimating the current replacement cost of the infrastructure to be capitalized and using appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year.) As the government constructs or acquires additional capital assets each period, including infrastructure assets, they are reported at historical cost.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 17,883
Infrastructure	18,483
Buildings	102,867
Improvements other than buildings	9,390
Machinery and equipment	<u>12,836</u>
Total governmental activities, capital assets not being depreciated	<u>\$ 161,459</u>

<u>Primary Government</u>	<u>Ending Balance</u>
Business-type activities:	
Wastewater Utility:	
Capital assets, not being depreciated:	
Land	\$ 51,246
Improvements other than buildings	1,648,943
Machinery and equipment	55,066
Transportation equipment	<u>24,961</u>
Total business-type activities capital assets	<u>\$ 1,780,216</u>

TOWN OF BURNETTSVILLE
EXIT CONFERENCE

The contents of this report were discussed on February 15, 2007, with Mary K. Caudle, Clerk-Treasurer.